

cc: NOAA Budget



THE SECRETARY OF COMMERCE
Washington, D.C. 20230

FEB - 4 2000

The Honorable Jacob J. Lew
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Lew:

As I outlined to you in our phone conversation, I have determined that commercial failures have occurred in several major fisheries and other requests for fishery failure determinations are on the way. The affected communities are accustomed to fishing's ups-and-downs, but these failures are severe and pervasive and have created an immediate crisis.

My determinations open the way for Congress to appropriate funds. Since 1994, Commerce has designated and Congress funded \$150 million to address these fishery disasters. The problem is that our determinations and Congressional action are not well coordinated. For example, the Administration presents funding requests on a case-by-case basis and the usual delays in the emergency appropriations process are repeated each time. As a result, the men and women in affected fishing communities wait months for assistance while they continue to suffer financially.

These delays create hardship and make us look unsympathetic and bureaucratic. We have an opportunity to improve our response and support the President's and Vice President's vision of a government that addresses citizens' needs quickly and efficiently. It is time to send to Congress an integrated request for emergency supplemental funding to cover these disasters.

Let me be clear, this emergency component would not address the full economic impact of these failures. But, as we have done in other cases (such as the recent funding for Alaskan salmon fisheries), we would use the emergency funding for immediate relief and the normal appropriations process for longer term needs.

I propose that we craft an emergency supplemental totaling \$75 million. This would cover three recent disasters and have a contingency for several requests that we expect to receive shortly. This money is in addition to the funds for the North Carolina and Florida disasters already covered in the President's emergency supplemental request. The new disasters are:

- **Lobster Die-offs in New York and Connecticut:** This crisis has received intense press and Congressional attention. My staff has been fielding questions from Senators Schumer, Lieberman, and Dodd, as well as Representatives Forbes, DeLauro, and Ackerman. I have also talked directly with the lobstermen. NOAA estimates emergency funds of \$10 million are necessary to address immediate needs in the fishery.

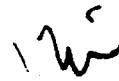
- **West Coast Goundfish:** Fishermen in California, Oregon, and Washington are suffering as much as a \$50 million drop in revenues from the collapse of the groundfish fishery. Virtually the entire California delegation has written to me on this matter along with Governors Davis and Kitzhaber. It has also received much media attention. NOAA estimates that \$40 million is necessary in the immediate future to address this problem.
- **Other Possible Determinations:** We are investigating a crisis in the Alaska crab fishery. Senator Stevens has received very sympathetically fishermen's comments on the severity of the problem and the need to help affected communities. NOAA has not yet made a determination but some estimates of the losses exceed \$40 million. In addition, we expect a request for disaster determination from Washington for Puget Sound salmon. It is essential that our planning horizon include the fishermen affected by these disasters. Our request should include a contingency of \$25 million for immediate assistance to these communities.

These funds will be used to help families in a number of ways. As you will see, both NOAA and EDA have roles to play. Our approach has been to work closely with the states and communities to craft a package that addresses their specific needs and works to restore the long-run health of the fish population. For example, in the past funds have supported:

- direct assistance for the purchase of heating fuel, clothes, and basic necessities;
- grants and loans for economic development and diversification;
- employment in cooperative research and fish stock assessments, in recovery of "ghost" fishing gear or habitat restoration, and as observers on other fishing vessels; and,
- capital, provided through boat or permit buyback programs, to help transition marginal fishermen out of fishing.

These funds are essential to help families from California to New York in a very difficult crisis. The funds would also help make the transition to sustainable fisheries by reducing capacity and improving our science and enforcement. I believe that we need to move quickly on this matter – ideally before the month is out. If you concur, I suggest we direct our staffs to work together to craft an emergency supplemental bill which the Administration can submit to Congress at the earliest possible date.

Sincerely,



William M. Daley